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GENERAL RULES

OF

The Co-operative Society,

LONDONDERRY,

(LIMITED.)

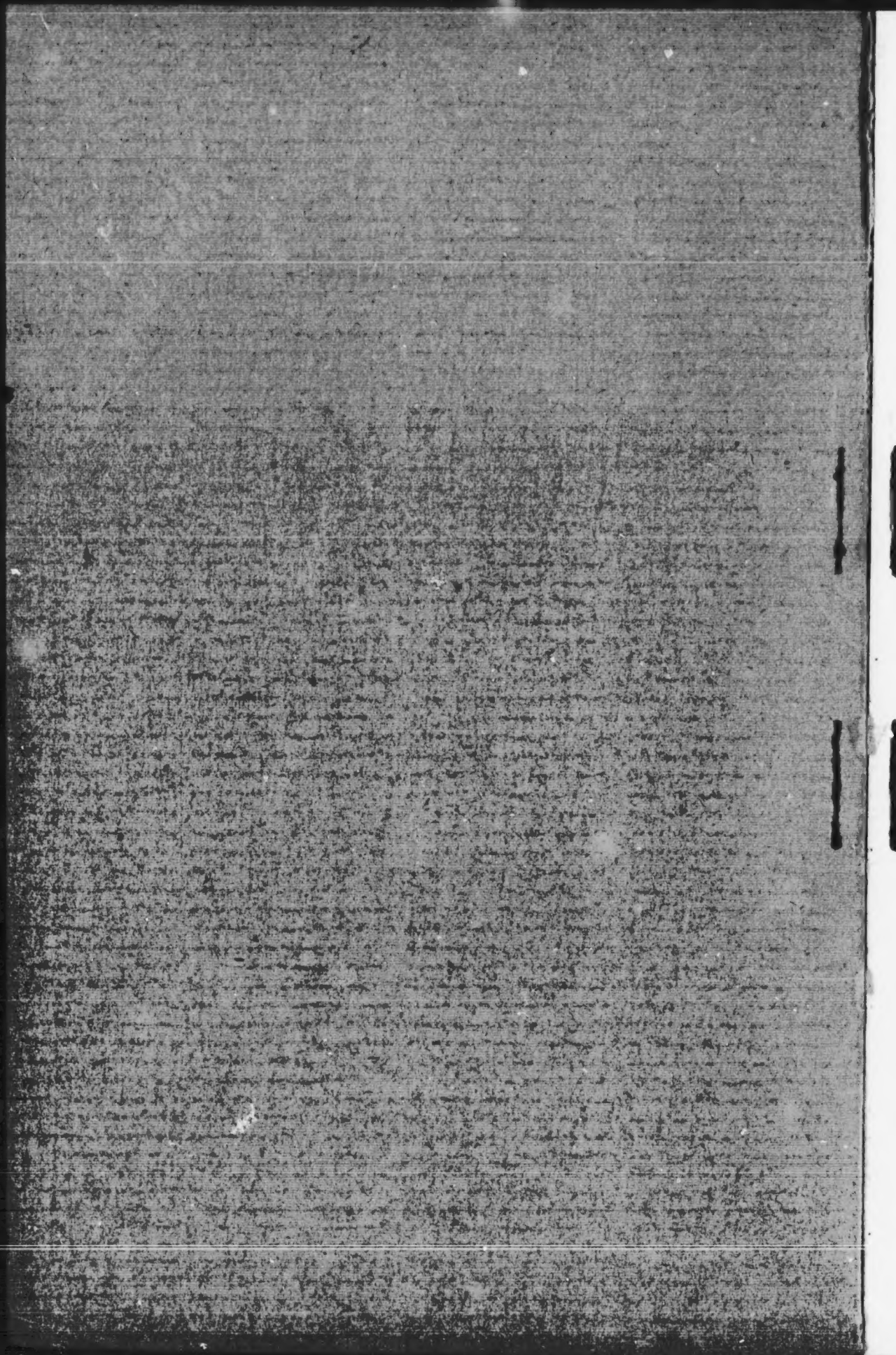
ADOPTED, 1888.

CHAPTER III—Sec. 1, Clause Y.—Every person shall pay, on applying for admission, 25 cents, for which he shall receive a copy of the Rules.

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GENERAL RULES.

**CHAPTER I.—INTERPRETATION AND GENERAL
QUALIFICATION.**

1. *Interpretation.*—In the construction of these Rules, including this rule, the following words and expressions shall have respectively the meanings following, unless the subject matter or context are inconsistent therewith:—

(1) Words importing the singular or plural number shall respectively include the plural and singular numbers; words importing the masculine gender only shall include the feminine gender.

(2) "The Act" shall mean the Nova Scotia Joint Stock Companies' Act.

(3) "The Board of Directors" shall mean the directing body of a society or company.

(4) "Lands" shall include tenements and hereditaments.

(5) "He," "him," and "person" shall include a company or society.

(6) "Nominal capital" shall mean the amount of the shares allotted for the time being, including any which may have been purchased on account of the society.

(7) "The society" shall mean the society named in the letters patent

(8) A direction given by the society shall mean a direction given by any of the rules of the society, or by any rule of the society made subsequently; and the words "subject

thereto" following any such direction, shall mean "unless such a rule is made, and so far as no such rule directs otherwise."

2. *Qualification.*—Every rule herein contained shall be subject to qualification by any special rule of the society referring to it by its number, and shall be deemed to be adopted by the society in so far only as is consistent with such qualification.

CHAPTER II.—NAMES, OBJECTS, AND PLACE OF BUSINESS.

3. *Name, Objects, and Powers of the Society.*—The name and objects of the society shall be those stated in the letters patent. The society shall have full powers to do all things necessary or expedient for the accomplishment of all objects specified in these rules, including the power to purchase, hold, sell, mortgage, rent, lease or sub-lease lands of any tenure, and to erect, pull down, repair, alter, or otherwise deal with any building thereon.

4. *Registered Office.*—The registered office of the society shall be at Acadia Mines, Londonderry, in the County of Colchester.

CHAPTER III.—MEMBERSHIP.

Sec. 1 — Members.

5. *Who are Members.*—The society shall consist of the shareholders named in the letters patent, and all such other persons as the rules direct, or the directors may admit.

6. *Shares to be held by Members.*—Subject to the provisions of the Act, Nova Scotia Joint Stock Companies' Act, each individual shall hold at least one transferable share.

7. *Payment on Application.*—Every person shall pay, on applying for admission, 25 cents, for which he shall receive a copy of the rules.

8. *Application by an Individual.*—An application by an individual may be made either in the form contained in these Rules, or by making such payment as is required upon an application for admission, and the signature of a receipt

for a copy of the rules in the form contained in the said rules, either by the applicant or on his behalf.

9. *How Applications shall be dealt with.*—Every application for admission shall be considered by the directors at their first meeting after it is made, or so soon thereafter as it is practicable; and if it is approved, the name of the applicant shall be entered on the list of members and the register of shares hereinafter mentioned, for the number of shares required to be held by the rules, or any larger number applied for and allowed to be held thereby, upon such approval and such confirmation thereof, if any, as the society may direct.

10. *Notice of Refusal or Admission.*—Notice of the refusal of an application, or of the entry of the name of any applicant on the list of members, signed by the secretary, shall be sent to the applicant, at the address mentioned on the form of application or receipt, within one week after such refusal or entry is made.

11. *Repayment of the Entrance Fee.*—The sum paid on an application for admission shall be repaid on demand to the person by whom or on whose behalf it was or purports to have been paid, within one calendar month after the date of the said notice in the cases following:—

- (1) If the application is refused;
- (2) If it is not granted within three calendar months after the application.
- (3) If it is based on a payment made on behalf of any person without his authority.

12. *How Forms to be referred to.*—The forms used on an application shall be numbered, and filed in the office of the society, and referred to in the list of members.

13. *Admission of Married Women.*—A married woman may be admitted a member of the society, and may hold and deal with any share and other interest in the society, as if she were unmarried, as is provided in the Married Women's Property Act, 1884.

14. *Admission of Minors.*—A minor not under the age of sixteen years may be admitted as a member, and execute

all instruments and give all acquittances necessary to be executed or given under the rules, but may not be a director, trustee, manager or treasurer of the society.

15. *Withdrawal of Members and Partial Cessation of Membership.*—A person, all of whose shares have been transferred, withdrawn, repaid or forfeited under the rules, shall cease to be a member, and no member may vote at any meeting of the society, either personally or by deputy,

(1) If he holds less than the number of shares required to be taken upon admission ;

(2) If he is in arrear of his subscriptions.

Sec. 2—List of Members.

16. *Where to be kept and Entries thereon.*—The Directors shall keep at the registered office of the society, a list of the names, occupations and addresses of all members, open at all convenient times to the inspection of the members ; and each member shall give notice of any change affecting himself, or be subject to a fine of 25 cents. No person whose name does not appear on such list, other than a deputy, shall have any right as a member of the society ; and the directors shall cause to be erased therefrom the names of all such persons as cease to be members under the rules.

17. *Claims to be entered on, or removed from the List.*—A person who claims to be placed on or retained on, or removed from the list of members, shall apply in the first instance to the directors for that purpose, and if refused, may appeal to the next ordinary business meeting held after the receipt of notice of such refusal, which may make such order on the matter as it thinks fit.

CHAPTER IV.—CAPITAL.

Sec. 1—Share Capital.

18. *Nominal Value.*—The capital of the society shall be raised by shares of such nominal value, payable by such instalments, at such intervals, with such fines, if any, in default of payment as the society may direct, and subject thereto by shares of the nominal value of five dollars,

payable as to all shares required to be held at the rate of 50 cents per week, with a fine of 25 cents per quarter on non-payment.

19. *Instalments.*—Each instalment shall be payable at such place, and on such days, between such hours, and to such persons as the Directors from time to time fix.

20. *Power to Pay in Anticipation.*—A member may pay the whole or any part of any instalment in anticipation of the period when it will become due, and the Directors may allow a rebate of not exceeding the rate of five per cent. per annum upon any such anticipated payment.

21. *Cases of Distress.*—The Directors may remit any fine incurred by non-payment of any instalment, if the non-payment appears to them to have arisen from sickness, distress, want of work, or any other sufficient reason, of which a written statement, signed by the defaulting member or some person claiming to act on his behalf, has been given to the secretary at the time when the payment ought to have been made.

22. *Application of Dividends to Pay up Shares.*—Unless the society directs otherwise, the dividends payable,

(1) Upon the share capital held by any member ;

(2) Upon any purchases made by him ;

shall not be paid to him until all shares which he is required to hold are fully paid, but shall accumulate and be applied from time to time in payment of the sums due on such shares.

23. *Allotment of Shares.*—The Directors shall allot to all members other than the shareholders mentioned in the letters patent, upon their admission, or admission and approval, as the case may be, such number of shares, as they apply for, and shall similarly allot from time to time, the shares applied for by any member, or required to make the nominal value of his shares not less than the capital credited to him, provided that the number of shares so allotted does not raise the total investment of any member to a sum exceeding one thousand dollars, or such lesser sum as the society may direct.

Sec. 2—Enforcement of Debts to Society.

24. *Recovery of Sums due under Rules, and Forfeiture of Shares.*—All sums due from any member, for subscriptions or otherwise, shall be recoverable from him, his executors or administrators, as a debt due to the society. The secretary shall lay before each ordinary business meeting a return of all such sums, and thereupon the meeting may—

(1) Direct the Board of Directors to take legal proceedings for the recovery thereof ;

(2) If the sum is due in respect of a share, declare such share to be forfeited in such cases as the society may direct and subject thereto if any payment thereon has been in arrear for three calendar months.

25. *Effect and Remission of Forfeiture.*—Upon a declaration of forfeiture of a share, all sums paid or credited thereon shall become the property of the society ; but the forfeiture may be remitted if the sum due is paid within one calendar month from the date of a notice of forfeiture which shall be sent in each case to the registered address of the member within one week after the declaration of forfeiture.

Sec. 3—Loans and Deposits.

26. *Loans on the Security of Agreements, Bonds, or Mortgages ; to what amount, and how may be made :*

(1) The directors may obtain advances of money for the purposes of the society from time to time from any person, whether a member of the society or not, upon the security of bonds, or agreements, or of a mortgage either legal or equitable of any property thereof ;

(2) The amount so obtained shall not exceed one-half of the nominal capital of the society without the previous authority of the society. With such authority, it may be any sum not exceeding the amount so authorized ;

(3) The Directors may make any such loan on such terms as to the time and manner of repayment as it thinks fit.

(4) The rate of interest agreed to be given on any such advance may be any rate not exceeding six per cent. per annum, or such higher rate as any special general meeting may authorize ;

(5) Any bond of the society may be made a specific charge upon any lands of the society specified therein or in any schedule thereto. But a separate register shall be kept of all such bonds ;

(6) Any such bond or share may be issued, or agreement or mortgage made, as a continuing security to cover any sum not exceeding the limits aforesaid, due or to become due upon the account of the society to any person with whom it may bank.

27. *Power to Receive Deposits.*—The Directors may receive from any persons, whether members or not, on deposit, withdrawable on such notice, being not less than two clear days, as they fix from time to time, any sums, within the total limit mentioned in Rule 26, not exceeding \$1 in any one payment, nor \$100 for any one depositor ; and if the society has any withdrawable capital, no payment thereof shall be made while any claim due on account of any such deposit is unsatisfied.

Sec. 4—Investments.

28. *Power to Invest Surplus Capital.*—The Directors may invest any part of the capital of the society in advances, on the security of real or personal property, provided that no such investment be made in the shares of any society or company other than one with limited liability, and may make any such investment in the registered name of the society.

Sec. 5—Repayment of Capital.

29. *Repayment Compulsory on Members.*—Subject to the payment of, or a sufficient provision for, all subsisting claims on the society, the directors, with the approval of any general meeting may apply any moneys for which they cannot find profitable investment, in payment of—

(1) The shares of any member who has bought of the society less than any amount fixed by the ordinary business meetings in any prescribed time ;

(2) The excess of shares held by those who hold the largest number above those who hold the next largest; provided that no member be required to accept less than the full sum paid upon each share paid off, and that the number of shares held by any member shall not be reduced below the number required, by the rules of the society, to be held.

30. *Repayments on the Request of Members.*—Subject as aforesaid, the directors may, in the case of any transferable share required to be held by a member desirous of withdrawing from the society, on the application of the holder of any such share, repay any sum not exceeding the amount then credited thereon; and shall repay the whole sum so credited in any case where they refuse to confirm the transfer of any such share which is fully paid up.

31. *Shares Repaid to be Extinguished.*—All such repayments shall be made on the resolutions of the Directors, which, with the receipts for the money paid, shall be entered, or referred to, on the registers after-mentioned, designating any transferable share by the number to be given to it, and thereupon the shares in respect of which such payments are made shall be extinguished.

32. *Moneys left with the Society after Notice of Repayment.*—If a member who has received notice that the Directors are prepared to pay him off, leaves the sum to be thus repaid in the hands of the society, he shall not be entitled to any interest thereon after the expiration of the time named in the notice of repayment.

CHAPTER V.—SHARES.

Section 1—Shares Generally.

33. *Where Two or more Joint Holders.*—Shares may be held by two or more individuals jointly, either of whom may give a valid receipt for any interest or dividend payable thereon; and all notices relating to any such shares, given to such one as they jointly direct, as in default of any direction, to the one whose name stands first in the books of the society shall be sufficiently given.

34. *Limit to Dividends.*—Dividends shall not be calculated on or for any fraction of five dollars, or of a calendar month.

35. *Lien of Society on Shares.*—This society shall have a lien on the shares of any member for any debt due to it by him and may set off any sum credited to the member thereon in or towards the payment of such debt.

Sec. 2—Transferable Shares.

36. *How to be Allotted.*—All transferable shares allotted by the society shall be numbered continuously, and all such as are not taken to be held by the members named in the letters patent, shall be allotted to the original holders thereof by the Directors in the order of the numbers; and all such as are taken to be so held shall be entered in the share register after mentioned, under the names of such members, in the alphabetical order, by the order of the numbers, beginning with one.

37. *Share Register.*—The Directors shall keep a share register, in which, under the number of each share, shall be entered the name of the member to whom it was originally allotted, or under whose name it is entered; and if the share is cancelled, as is hereintofore provided, the date of such cancelling.

38. *Share Ledger.*—The directors shall keep, as part of the share register, a ledger, containing, in separate columns, under the name of each member, the numbers of the shares originally allotted to, or entered in the name of, or subsequently acquired by such member, with the dates of such allotments, entries, and transfers respectively, and a reference to the pages containing the names of the transferors; the number of all shares transferred, with the date of such transfers respectively; a reference to the pages containing the names of the transferees; and such particulars of the amounts paid upon such shares as the directors direct.

39. *Forms of Transfer.*—Transfers shall be in one of the forms hereinafter contained, or as near thereto as the case allows; they shall be numbered continuously, and shall state the number of each share transferred; and shall be executed

by the transferor and transferee, and kept in the office of the society, and entered under their numbers in a register of transfers, with such other particulars as the committee direct; and the number of each transfer shall be entered in the share ledger, under the name of the transferor and the transferee.

40. *Registration of Transfers.*—No transfer shall be registered, if made by a member indebted to the society, without special order of the directors; and until the transfer of a share is registered no right shall be acquired against the society by the transferee, nor shall any claim of the society upon the transferor be affected.

41. *To whom Transfers may be made.*—Any share may be transferred with the approval of the committee to any other member at the option of the transferor; but if the transferee is not a member he must be approved of as a member by the Directors, according to the provisions of the rules relating to the admission of members, before the transfer can be registered; and if the transferee is a woman known to be married or about to be married, such consent or application as is required by the rules upon her admission shall be requisite before the transfer can be registered.

42. *Fee on Transfers.*—Upon the transfer of any share there shall be paid a fee of ten cents.

43. *Shares held in Trust.*—No entry of any trust shall be made upon the share register.

44. *Sale of Shares to Pay Debts.*—The Directors may, in default of payment by any member indebted to the society in any manner contrary to its rules, to an amount not less than three-fourths of the sum paid up for the time being on any transferable share held by him, sell and transfer in the books of the society such share to any person entitled to hold the same under the rules, for the best price obtainable therefor, and apply the proceeds in or towards the discharge of the debt so due and any expenses incurred in or about the same, paying over the balance thereof (if any) to the member, without being responsible for any loss occasioned thereby. And any transfer so made shall extinguish all right of such member in the share so transferred, and shall operate as an original issue thereof, subject

to the credit to be given to the purchaser for all payments previously made thereon.

45. *Limit to Amount Expended on Repayments.*—The amount expended in the repayment of any transferable shares shall not exceed any sum placed at the disposal of the Directors for that purpose from time to time by the general meetings of the society, and shall be regularly stated in the accounts of the society.

46. *Payments on Account of Shares.*—Payments made on account of shares by a member who holds any transferable share not fully paid shall be carried to the account thereof, and distributed equally among such shares, if more than one.

Sec. 4—Transmission of Interest.

47. *Nomination Book.*—Any member not under the age of sixteen years may, by a writing under his hand, delivered at or sent to the registered office of the society, nominate any person, not being an officer or servant of the society, unless such officer or servant is the husband, wife, father, mother, child, brother, sister, nephew or niece of the nominator, to whom his interest in the society, including shares, loans, or deposits, shall be transferred at his decease, provided that the total amount credited to him in the books of the society does not exceed \$500, and may from time to time similarly revoke or vary such nomination; and the committee shall keep a book wherein the names of all persons so nominated shall be regularly entered, and shall cause any nomination so revoked to be erased therein.

48. *Notice of the Right to Nominate.*—A notice of the right of nomination shall be sent to every individual member who has not exercised this right, with the report of the first ordinary business meeting in each year of which a report is circulated among the members, and shall be otherwise given, as such meetings may direct.

49. *Fee on Nomination or Revocation.*—A member shall pay a fee of ten cents for the entry of every nomination or revocation, whether or not accompanied by a fresh nomina-

tion, and one fee only shall be charged for the entry of all the names in any nomination or revocation paper, if more than one.

50. *Proceedings on the Death of a Member :*

(1) Upon receiving satisfactory proof of the death of a nominator, the committee shall either transfer the shares nominated in manner directed, or pay to every person entitled the full value of his interest, at their option, unless the shares if transferred to any such nominee would raise his interest in the society to an amount exceeding \$1000, in which case they shall pay him the full value of such shares not exceeding the sum aforesaid ;

(2) If any member entitled to an interest in the society not exceeding \$500 dies intestate, and without having made any such nomination as aforesaid, which remains unrevoked at his death, the Directors shall transfer or pay such interest, without letters of administration, to or among the persons who appear to a majority of the Directors, upon such evidence as they may deem satisfactory, to be by law entitled to receive the same :

(3) Upon the death of any member who has an interest in the society exceeding \$500, or transmitted by his will, and a notice in writing given by his executor or administrator to the secretary of the society, stating the death of such member, and the Christian name, surname, profession, or business of such legal representative, and specifying the nature and amount of his interest or claim ; and the production, if the case requires, of the probate of the will of, or letters of administration to, such member, and of such evidence (if any) of his death as may be required by them, the Directors shall either transfer the shares, or other interest of the member specified in such notice, in the books of the society to his legal representative, or shall pay to him the sum which represents the full value thereof, and may make such transfer or payment at their discretion, unless the transfer would increase the

interest of the transferee in the society to more than \$1000, in which case they shall make the payment in money.

51. *Extinction of Transferable Shares.*—If any share so paid for is a transferable share, an entry of the payment shall be made on the register of transfers, in manner hereinbefore provided, on the repayment of a transferable share, and thereupon such share shall be extinguished.

52. *Transfer to Make Membership.*—Every nominee or other person to whom any share is transferred under this section shall thereby become a member of the society, if not previously a member.

53. *Bankruptcy of a Member.*—The provisions of Rule 50 as to the executor or administrator of a deceased member shall apply, with the requisite variations, to the trustee or assignee in bankruptcy of a bankrupt member.

54. *Joint Holders of Shares.*—On the decease of a joint holder of any share it shall be transferred into the name of the survivor on his application.

CHAPTER VI.—GOVERNMENT AND ADMINISTRATION.

Sec. 1.—General Meetings.

55. *Ordinary and Special Meetings.*—Meetings of the members shall be either general, which include (1) ordinary business meetings, (2) special general meetings; or monthly.

56. *Ordinary Business Meetings.*—The first ordinary business meeting of the society after it is established shall be held at such a time as the Directors named in the Letters Patent fix, and the subsequent meetings in each 3rd, 6th, 9th, and 12th month after the first meeting, on such days and hours as are fixed by the resolutions of any such meetings from time to time, and so far as no such resolution extends by the Directors.

57. *Monthly Meetings.*—Monthly meetings shall be held as the ordinary business meetings direct; and shall have such functions as is so directed, and so far as no such directions extends the following functions:—

- (1) To discuss the affairs of the society ;
- (2) To explain the principles and rules of the society ;
- (3) To make suggestions for the consideration of the Directors ;
- (4) To recommend the names of persons suitable for election as officers of the society ;

58. *Functions of Ordinary Business Meetings.*—The functions of ordinary business meetings shall be :—

- (1) To receive from the directors, auditors, or any other officers of the society, reports upon the business of the society during the period embraced therein and the state of its affairs at the date thereof, which, except any such meetings directs otherwise, shall be made to every such meeting ;
- (2) To elect the directors, auditors, and other officers of the society, excepting those whose appointment is given by the rules to the directors ;
- (3) To transact any other general business of the society.

59. *Time and Place of Holding such Meetings.*—Any ordinary business meeting may fix, from time to time, its place of meeting, which, where no other place is so fixed, shall be the registered office of the society.

60. *Notice of Time and Place of Meeting.*—Such notice shall be given of the time and place of the first ordinary business meeting as the directors named in the Letters Patent direct, and subsequently, notice of the time of every ordinary business meeting, and of the place where it is to be held if it be other than the registered office of the society, and in case the meeting has to elect any officer of the society of what officers are to be then elected, shall be given by affixing such notice conspicuously in the registered office and every place of business of the society for fourteen clear days before the day of the meeting, and otherwise, as such meetings may direct.

61. *Special General Meetings.*—Special general meetings shall be convened by the secretary, either on an order of the directors, or upon a requisition signed by twenty members,

and shall be held as soon as possible after the receipt of such order or requisition, and at the ordinary place and time of the business meetings of the society, unless any ordinary business meeting fixes any other place of meeting.

62. *Notice of Special General Meetings.*—Notices convening a special general meeting shall state the time and place thereof, and the purpose for which it is convened, and shall be posted to the registered address of all the members not less than six clear days before the day of meeting, unless in any case of emergency where the directors unanimously direct a shorter notice to be given.

63. *Where Members may give Notice.*—If the secretary does not convene a special general meeting in manner required hereby, for seven clear days after a requisition therefor signed as hereinbefore is provided has been delivered at the office of the society, any of the requisitionists may give such notice of the meeting as is provided by Rule 62, and shall have a claim upon the society for all costs (if any) properly incurred in giving such notice.

64. *Business of Special General Meetings.*—A special general meeting cannot transact any business not specified in the notice convening it, nor unless the notice convening it has been given according to the rules. But an ordinary business meeting may be made special for any purpose of which notice has been so given, provided that such business is not brought on until the ordinary business is concluded.

65. *Quorum of General Meeting.*—An ordinary business or special general meeting may proceed to business, if ten members are present within an hour after the time fixed for the meeting; otherwise the meeting, if a special general meeting convened on the requisition of the members, shall be dissolved, but if an ordinary business meeting or a special meeting convened by order of the directors shall stand adjourned to the week following, at the same time, and shall be held at the principal place of business of the society unless any resolution of an ordinary business meeting directs otherwise, in which case it shall stand adjourned to such place as is so directed; and the meeting so adjourned may proceed to business whatever is the number of members

present. No meeting shall become incompetent to transact business from the want of a quorum arising after the chair has been taken.

66. *Power of Adjournment*.—Any general meeting, duly constituted, may adjourn to such place as the members present direct, within thirty days, and may continue any such adjournment from time to time. No business shall be brought on at any adjourned meeting which could not have been transacted at the original meeting; and the same notice shall be given at any meeting adjourned for more than fourteen days as was required for the original meeting.

67. *Quorum of Monthly Meetings*.—A monthly meeting shall be dissolved if such number of members are not present within such time after the hour of meeting as the meeting appointing them fixes, and subject thereto if ten members are not present within fifteen minutes.

68. *Chairman of Meetings*.—Every meeting shall have a chairman, who shall not vote unless the votes are equal, when he shall have a casting vote; and who, in the absence of the president of the society shall be any director willing to preside; and in the absence of any such director such person as the meeting selects.

69. *Votes*.—(1) Each individual member present, who holds such number of shares as an individual is required to apply for, and is credited in the books of the society with a sum equal to one share, and is not disqualified by Rule 15, and such one of the joint holders of the like number of shares credited with the like sum and not so disqualified as they appoint in writing, shall have one vote. Proxies shall be admitted only as the society may direct, and under the conditions so stated.

70. *How Votes shall be Taken*.—Votes shall be first taken by show of hands, unless a ballot on any question is demanded by five members present, when they shall be taken by ballot, as the society may direct and subject thereto, as the directors fix. Subject to any special direction contained in any rule of the society or Act of Parliament, all questions shall be determined by a majority of votes.

71. *Conduct of Members.*—The directors, if they find it requisite, may pass resolutions for regulating the conduct of members at meetings, or the time after which divisions shall not be taken ; which shall be binding on all the members, subject to any resolution of the ordinary business meetings thereon.

Sec. 2.—Management.

72. *How Board of Directors to be Formed.*—The business of the society shall be conducted by a board of directors which shall consist of the president, treasurer, secretary, and eight other directors.

73. *Retirement and re-eligibility of Directors :*

(1) At each ordinary business meeting such number of the existing directors as the society may direct, and and subject thereto one-fourth part shall retire and an equal number shall be elected. A retiring Director shall be immediately eligible.

(2) If a vacancy caused by the retirement of any Director is not filled up by the meeting by which it ought to have been filled under the rules, the retiring Director may continue to act until the next ordinary business meeting.

74. *Removal of Directors.*—A director may be removed from office at any time by two-thirds of the members present and voting at a special general meeting, which may thereupon proceed to fill up his place by a vote of the majority of the members present voting.

75. *Qualifications of a Director.*—No person can be a director who is not a member ; and a person who holds any place of profit under the society other than an office remunerated in manner provided by Rule 89, shall be disqualified from being a committee-man ; and any person who accepts such a place, or becomes bankrupt, or is concerned in the profits of any contract made with the society, except as a member of any society or company which contracts with or does any work for it, shall thereupon vacate his office.

76. *Vacancies—How to be filled up*—A vacancy in the number of directors arising from any such disqualification as aforesaid, or the removal of any director whose place is not filled up by the meeting by which he is removed, or the death, resignation, incapacity for acting, or refusal to act, of any Director, shall be filled up with some qualified person, as the society may direct and subject thereto; (1) If it arises in the interval between two ordinary business meetings, by the remaining members of the board of directors, or if not so filled, by the next meeting; (2) If it arises at any such meeting, by the meeting, and in the last case any Director who may resign shall be immediately re-eligible. Every person so appointed, or elected by the meeting, to fill any vacancy shall be substituted for the member who has caused the vacancy, and shall retire from office at the time when such member would have retired.

77. *General Powers of the Board of Directors*.—The directors shall control all business carried on by or on account of the society, receive and give receipts for all moneys due to it, determine all purchases or sales, and the prices to be paid or charged for the same, and make all contracts entered into by or on behalf of the society for any of the objects for which it is formed, including all purchases and contracts relating to land, excepting such (if any) as the society may direct to be subject to the approval or authorisation of a general meeting, and if the society has any land, building, or mortgage rules subject to these; and all such contracts shall be signed and attested as they direct from time to time. They may, from time to time, engage, remove, or discharge all managers, salesmen, or employees of any description required to conduct any such business, and fix their duties, salaries, or any other remuneration, at such rates, and require them to give such security, either in the forms hereinafter contained, or in such other forms approved of by them, as they determine. They shall decide on the evidence to be produced for establishing the claim of any nominee, executor, administrator, or official trustee to any share in the society; and may institute, prosecute, compromise, or refer to arbitration any suit, debt, liability, or claim against, by, to, or on the society; and in any case for which

the rules of the society do not expressly provide, may exercise any power which could be exercised by the society in general meeting other than such as by the law for the time being may be required to be exercised by such meetings, and so that in the exercise of any such power they do nothing inconsistent with the previous resolutions of such meetings. And all acts or orders done or given by the directors in the name and on behalf of the society under any power hereby given them, shall bind the society and every member thereof as fully as if they had been acts or orders of a majority of the members of the society, at a general meeting thereof, acting in exercise of the powers given them by the rules.

78. *Duty of the Board of Directors to Summon Meetings, Provide Books, &c.*—It shall be the duty of the directors, under such penalties, if any, as the society may direct :

(1) to convene all meetings of the society according to the rules thereof, subject to the provisions hereinbefore contained as to special general meetings ;

(2) To provide proper books for entering the accounts of all business carried on on behalf of the society, and the minutes of all meetings thereof, and of their own proceedings, and for making all such entries as are hereby required, or as any general meeting may direct ;

(3) To provide such forms as are necessary in consequence of the provisions of the rules, and for the same being kept, made up or used in such manner as in their discretion they think desirable ;

(4) To provide a sufficient supply of copies of the annual balance sheet and books of rules to comply with the directions of the general Rules.

79. *To lay Statement of Accounts and Report before the General Meetings.*—The directors shall prepare a statement of the accounts of the society, in such form as the ordinary business meetings direct from time to time, and lay them, duly audited by the persons appointed to audit the same, before each ordinary business meeting, unless such meetings direct otherwise, and in that case before such meetings as they may direct, accompanied by a report on the position of the affairs of the society, signed by the chairman of the meeting at which such report is adopted.

80. *Time, Place of Meeting, and Quorum of the Directors.*—The board of directors shall meet at such times and places as the ordinary business meetings direct, and, so far as no such direction extends, at such times and places as they determine, but shall not proceed to business unless such number of members as the society may direct, and subject thereto not unless three members are present. No director shall vote on a question on which he is personally interested.

81. *Fines for Non-attendance.*—The ordinary business meetings may impose fines on any member of the board of directors for non-attendance, provided that no such fine is retrospective.

82. *Chairman of the Board of Directors.*—Every meeting of the directors shall have a chairman, who shall be the president of the society if present, and in his absence such one of the directors as they appoint. The majority of votes shall decide, but the chairman shall have a second casting vote.

83. *Special Meetings of the Board of Directors.*—A special meeting of the directors may be called by a notice in writing given to the secretary by such number of members, at such time before the day fixed for the meeting as the society may direct, and subject thereto by two members one clear day before such time. The secretary shall communicate every such notice to each of the directors as soon as possible after the receipt thereof; and no other business shall be done at the meeting than the business named therein.

84. *Appointment of Sub-committees.*—The board of directors may delegate any of the powers hereby given to them to a sub-committee of its own members, who shall, in the functions entrusted to them, conform in all respects to the instructions given them by the board of directors.

Sec. 4.—Officers of the Society.

85. *Appointment of President, Treasurer, and Secretary.*—There shall be a secretary and treasurer of the society, and a presiding officer with the title of president; and the

following regulations shall apply to each of the officers aforesaid :—

(1) He shall be elected at the first ordinary business meeting of the society, and subsequently at the first ordinary business meeting in each year ;

(2) He must be a member of the society, and shall be disqualified from office by the same circumstances which are disqualifications for a director, and shall be removable from office by such a majority as can remove a director.

(3) He shall be re-eligible, and if no successor is appointed on the termination of his office, shall continue in office until the next regular period of election.

(4) A vacancy in his office shall be filled up at the next ordinary business meeting after it occurs, and if not then filled up by the members may be filled up by the directors :

(5) The person appointed to fill up a vacancy shall continue in office only till the regular time of election, subject to provision (3).

86. *Duties of these Officers.*—The duties of the Officers appointed under Rule 85 shall respectively be as follows :—

(1) THE PRESIDENT (a) shall take the chair, if present, at all meetings of the society or of the directors ;

(b) He shall sign the reports to be laid before the meetings of the society, which shall be previously submitted to, and approved of, by the directors.

(2) THE TREASURER (a) shall supervise the accounts and payments of the society, which shall be entered in the books thereof as he from time to time directs, subject to the orders of the directors ;

(b) He shall lay before the directors at such times as they direct, and in default of any other direction at the first meeting in every month, a statement of the business of the society, showing such particulars as the directors require ;

(c) He shall discharge any other functions relating to the receipts or payments of the society which the directors may direct ;

(d) Any general meeting may substitute the bankers of the society in place of the treasurer, in which case any duties hereby assigned to the treasurer may be discharged in such manner as the meeting directs, and the election of an officer as treasurer shall cease to be made; but the meeting may substitute an additional director and fix the time of his retirement.

(3) **THE SECRETARY** (a) shall summon and attend all meetings of the society and of the directors, and of any committee, if so required by the committee, and shall keep minutes thereof in such manner as the directors direct;

(b) He shall make such returns relating to the business of the society as the directors require;

(c) He shall have charge of the documents and other papers of the society, and if required by the directors shall keep the accounts in such manner as they direct;

(d) He shall keep all the books relating to shares, loans, or deposits required to be kept under the rules of the society, and the list of members, and shall receive all contributions, fines, and other payments due from the members to the society, and keep the accounts thereof, and pay over the amount so received as the directors direct;

(e) He shall in all things act in the discharge of his duties under the direction and control of the directors;

(f) Unless the society directs otherwise he shall not sit on any committee except he is a member thereof in virtue of his office.

(4) *Generally.*—It shall be the duty of every officer of the society, having the receipt or charge of any moneys thereof, his executors or administrators, at such time as the society may direct, and subject thereto as the directors require, or upon demand made, or notice in writing given or left at his last or usual place of residence, to give in his account, as may be required by the society or the directors, to be examined and allowed or disallowed by them, and on the like demand or notice to pay over all moneys, and deliver all property for the time being in his hands or custody to such person as the society or the directors appoint.

87. *Officers Appointed by the Directors.*—If the society directs that any officer to whom the provisions of Rule 86 apply shall be appointed by the directors, the directors may from time to time determine the duties of the officer so appointed by them, but subject to any such determination his duties shall be as is therein defined.

88. *Assistants to Secretary.*—The directors may from time to time appoint such clerks or other assistants as may be required to aid the secretary, whether he is elected by the society or appointed by the directors.

89. *Remuneration of Officers.*—The ordinary business meetings shall from time to time determine the remuneration of the secretary if elected at such meetings, and may remunerate the president, treasurer, directors, or any other member for their services as they think fit.

90. *Security by Officers.* It shall be the duty of every person holding any office touching the receipt or charge of any moneys of the society, under such penalty as the society may direct, before entering on the execution of his office, either to enter into an agreement or to become bound, with or without a surety as the directors require, according to the forms in these rules, or such forms as they approve from time to time, or to give the security of a guarantee society in such sum as they direct, for rendering a full and true account of all moneys received or paid by him on account of the society, at such times as the rules fix or as the directors require, and for the payment of all sums due from him to the society.

Sec. 5.—Conduct of Business.

91. *Dealings shall be for Cash.*—All goods sold by the society shall be paid for on delivery.

92. *Payment of Moneys into Bank.*—All moneys received from the members or otherwise on behalf of the society shall be dealt with as the general meetings direct from time to time, and subject thereto shall be placed to the account of the society with such bank as the directors select.

93. *Payment by Cheques, subject to the direction of any General Meeting.*—All payments above such sum as the

general meetings fix from time to time, shall be made by cheques, signed as the society may direct, and subject thereto.

94. *Seal of the Society—its Custody and Use.*—The society shall have its name engraven in legible characters upon a seal, which shall bear such device, and shall be in such custody as the society may direct, and subject thereto such as the directors appoint; and shall be used only under the authority of a resolution of the directors, the date whereof shall be mentioned on the instrument to which the seal is attached; and shall be attested by the signature of two directors and the countersign of the secretary.

95. *Use of Name of the Society.*—The name of the society shall be mentioned in legible characters in all notices, advertisements, and official publications, bills of exchange, promissory notes, endorsements, cheques, or orders for money or goods purporting to be signed by or on behalf of the society, and on all bills of parcels, invoices, receipts, or letters of credit of the society, and shall be conspicuously painted or affixed, and kept painted or affixed on the outside of every office or place of business of the society.

96. *Complaints and suggestions by Members.*—A member who has any complaint to make as to the quality, quantity or price of any goods supplied by the society, or the conduct of any officer or servant of the society, or any suggestions for better carrying into effect the objects of the society, shall send the particulars of such complaint or suggestions to the directors, who shall inquire into and decide upon them, subject to an appeal from any such decision to an ordinary business meeting; but no such complaint shall be brought before any such meeting except on appeal.

97. *Employment of Members.*—Except the directors should direct otherwise in any case, the holding shares in the society shall not be required as a condition of employment.

Sec. 6.—Evidence.

98. *Minutes to be Evidence of Proceedings.*—The minutes of all meetings of the society or directors, containing such

particulars as the directors direct from time to time, shall be regularly recorded by the secretary; and the minutes of every monthly or ordinary business meeting of the society, and of every meeting of the directors, shall be read at the next of such meetings respectively, and signed by the chairman of the meeting at which they are so read, and the minutes of every special general meeting shall be read at the meeting of the directors following, and signed by the chairman of such meeting; and all minutes so signed shall, in the absence of evidence to the contrary, be taken as between the society and every member thereof to be a true statement of any matter therein contained, subject to the correction of any patent error.

99. *What to be sufficient Notice.*—Every member shall be taken to have due notice of every meeting, resolution, or other matter of which notice is required by the rules of the society to be given, if the same is made known in such manner as the society may direct, and subject thereto, and to any special direction in these rules by posting or sending a notice to the registered address of such member.

CHAPTER VII.—ACCOUNTS AND RETURNS.

Sec. 1.—The Auditors.

100. *Number of Auditors.*—There shall be subject to the appointment of any public auditor, two auditors.

101. *Appointment of Auditors:*

- (1) The auditors shall be elected at the first ordinary business meeting of the society, and afterwards one shall retire and one shall be elected at each ordinary business meeting, the order of retirement of the first auditors being fixed by themselves;
- (2) A retiring auditor shall be re-eligible;
- (3) A vacancy in the appointment of an auditor may be filled up by the committee;
- (4) No servant of the society can be an auditor;
- (5) Any such meeting, in lieu of electing an auditor, may direct that the accounts shall be audited by a public auditor, and thereupon the appointment of the then con-

tinuing auditor shall be vacated, and the audit shall be conducted by such public auditor ;

(6) Any subsequent general meeting may vary such direction by substituting the name of another public auditor, or, by a resolution, whereof notice has been given as in the case of a special general meeting, may rescind the same ; and thereupon the meeting shall elect auditors, who shall retire and be re-eligible as is provided by clauses (1) to (3).

102. *Duties of Auditors :*

(1) *General.*—The auditors shall audit the accounts of the society to be prepared by the directors as hereinbefore provided, for the period intervening from the formation of the society, or their last audit, to such time as the society may direct, and subject thereto to the beginning of the last calendar month previous to each ordinary business meeting, and shall lay before it a balance sheet of the receipts and expenditure of the society during the period to which the audit extends, and a statement of its assets and liabilities at the time of such audit, both signed by them, which shall specify the total amount of all moneys borrowed by the society, distinguishing the character of the securities on which each is obtained.

(2) *Annual Balance Sheet.*—The auditors shall examine the annual balance sheet, and verify the same, with the accounts relating thereto, and shall either sign the same as found by them to be correct, duly vouched and in accordance with law, or specially report to the society in what respects they find it incorrect, unvouched, or not in accordance with law.

(3) *Powers of the Auditors.*—The auditors shall be entitled to call for and examine any paper or document relating to the society, and shall make a special report to the society upon any matter connected with the accounts which appears to them to require notice.

(4) *Audited Accounts to be Binding on the Members.*—Every balance sheet signed by the auditors and approved by the meeting to which it is presented, shall be binding

on all members of the society, excepting as to any error therein exceeding the sum of fifty dollars, brought before the next ordinary business meeting.

105. *Copy of Accounts and Report.*—A copy of the last balance sheet of the society and of the report of the auditors shall be kept always hung up in a conspicuous place in the registered office of the society.

106. *Remuneration of the Auditors.*—The auditors shall receive such remuneration as the ordinary business meetings vote them from time to time.

Sec. 2.—Inspection of Accounts.

107. *Individual Right of Inspection.*—Any member or person having an interest in the funds of the society may inspect the books and the names of the members during all reasonable hours at the registered office of the society, or at any place where the same are kept, subject to such regulations as to the time and manner of such inspection as may be made from time to time by the general meetings of the society, except that no such member or person, unless he be an officer of the society, or be specially authorised by a resolution thereof, shall have the right to inspect the loan or deposit account of any other member without his written consent.

108. *Copies of Annual Balance Sheet and Rules.*—It shall be the duty of the directors to supply to every member or person interested in the funds of the society, on his application—

(1) Gratuitously a copy of the last annual balance sheet.

(2) To every person on demand a copy of the rules at such price, not exceeding 25 cents, as the Directors fix from time to time.

CHAPTER VIII.—PROFITS.

Primary Charges.

109. The profits of all the business carried on by, or on account of, the society, shall be applied as follows:—

(1) *Interest on Loans.*—In payment of the interest upon any loans or deposits ;

(2) *Reduction of Fixed Stock, &c.*—In reduction of the value of the fixed stock and plant of the society, at the annual rate of 10 per cent. on fixtures, and of $2\frac{1}{2}$ per cent. on shops, warehouses, or other buildings ;

(3) *Reduction of Preliminary Expenses.*—In the reduction of the preliminary expenses (if any) incurred in forming the society, and remaining unwritten off in its books, at such rate, being not less than five per cent. per annum, as the ordinary business meetings on the recommendation of the directors from time to time direct ;

(4) *Dividend on Share Capital.*—In payment of a dividend upon the ordinary capital not exceeding such rates as the society may direct, and subject thereto 6 per cent.

(5) *Reserve Fund.*—In forming, by applying such percentage of the net profits after providing for the preceding charges as the directors determine, a reserve fund to which all fines shall be carried, applicable, by a resolution of the ordinary business meetings on the recommendation of the committee—

(a) To the equalization of dividends ;

(b) To meet any other contingency affecting the business of the society ;

(c) To any other purpose which the general meetings direct from time to time ;

110. *Members in Arrears of Subscriptions.*—No interest or dividend shall be paid to any member who is in arrear of his subscriptions, but all such moneys shall be applied so far as they extend in payment of all such arrears.

111. *Dividends when not passed by a Transfer.*—Dividends or interest on shares transferred within six days, or such other time as the ordinary business meetings fix before the time when they become payable, shall be paid to the transferor unless he directs otherwise.

Distribution of Profits.

112. *Division of Net Profits.*—The remainder of the net profits left after providing for the charges specified in rule 169 shall be divided between—

(1) *The members* who have made purchases of the society during the period to which the division relates, according to the amount of their purchases ;

(2) *The non-members* who have made purchases of the society during such period, according to the amount of their purchases, provided that the sum so divided shall not exceed one-half of the sum to which they would be entitled as members ;

113. *Capitalization of Dividends :*

(1) Subject to the antecedent rules, all dividends not withdrawn within one calendar month after they become receivable, shall be credited to such member as loans, withdrawable on such notice, not less than one calendar month, as the directors may determine from time to time ;

(2) No fine shall be charged in respect of any share so placed to the credit of any member.

114. *General meetings may Capitalize Profits in certain Cases.*—The ordinary business meetings may direct that the appropriation of the proportion of the net profits of the society, authorised by clause 1 of Rule 118, shall be made up by paid-up shares.

CHAPTER IX.—DISPUTES AND EXPULSION OF MEMBERS.

115.—*Disputes—how to be determined.*—All disputes arising between a member, or any person claiming through a member, or under the rules of the society, and the society or any officer thereof, shall be dealt with as follows :—

(1) *Appointment of Arbitrators.*—At the first or any subsequent general meeting of the society after this rule is registered such number of arbitrators as the society may direct, and subject thereto, three shall be

elected, none of whom are directly or indirectly interested in the funds of the society.

(2) *Vacancies* in the number of arbitrators shall be filled by the first general meeting after they occur, and if not then filled, by the directors.

(3) The costs of an arbitration shall be borne as the arbitrators direct, and each party shall deposit such sum as the society directs, and subject thereto, two dollars and a half, to abide their decision.

116. *How a Member may be Expelled.*—A member may be expelled by the vote of two-thirds of the members present at a special general meeting of the society, upon a charge in writing of conduct detrimental to the society, communicated to him by order of the committee for such time as the society may direct, and subject thereto for one calendar month before the meeting.

117. *Payment of Expelled Member.*—A member so expelled shall be paid the full sum paid on any shares in the society held by him at the date of the resolution for his expulsion; and all transferable shares held by him shall be extinguished upon such payment being tendered, whether the member accept the tender or not; and an entry referring to the minute of expulsion and the date of such tender shall be made on the register of shares under all such shares.

118. *Re-admission of Expelled Member.*—No expelled member shall be re-admitted except by a vote of two-thirds of the members present at an ordinary business meeting, on a motion of which notice has been given.

CHAPTER X.—ALTERATION OF RULES.

119. *Majority Requisite to Make Alterations, subject to Provisions of the Letters Patent and the Act.*—Any rule of the society may be repealed or altered, or any new rule be made, by the members voting at any special general meeting, by a majority of two-thirds.

CHAPTER XII.—FORMS OF INSTRUMENTS.

120. *Instruments shall have the following Forms.*—The instruments referred to in the preceding rules shall be in the forms following, or as near thereto as the case allows. The date, the name of the society, and, if the case requires, an address to the directors shall in all cases be prefixed :—

(1) *Application for Admission by an Individual :*

(a) *By Application for Shares*—I, the undersigned, hereby apply for _____ shares in the above-named society, in respect of which I agree to make the payments required by the rules of the society, and otherwise to be bound thereby.

Signature of applicant, stating his address and occupation.

(b) *By Payment for a Copy of Rules.*—Received this day a copy of the rules of the above-named society, for which I have paid [*on account of the under-mentioned applicant**] the sum required to be paid on an application for admission to the society.

Signature as above, or if the payment is made by any other person than the applicant, of this person, stating the name, address, and occupation of the applicant.

(2) *Transfer between Individuals.*—This instrument, made _____ day of _____ 188____, between A of _____, and B of _____, witnesses, that in consideration of the sum of \$ _____, paid by the said B to me, I, the said A, hereby transfer to the said B, his executors, administrators, and assigns, the _____ shares, numbered _____, now standing in my name in the books of the above-named society, to hold the said shares upon the same conditions on which I now hold the same, and that I, the said B, hereby accept the said shares, subject to the said conditions. In witness whereof we have hereto set our hands.

Name of Transferor.

Name of Transferee.

* Omit the words in brackets if the payment is made by the Applicant.

(3) *Agreement or Bond of Security by Officers.*

(a) *Without a Surety.*—This agreement, made the
 day of between A B, of
 and the Co-operative Society, Londonderry, Limited,
 established at Acadia Mines, in the county of Colches-
 ter. Whereas the said A B has been appointed to
 the office of in the society on condition of
 his entering into this agreement. Now it is hereby
 witnessed as follows:

The society agrees with the said A B,

(State salary or other equivalent, if any; if not, omit this part
 altogether.)

The said A B, in consideration of the premises, agrees
 with the society to render a just and true account
 of all moneys received and paid by him on account of
 the society, at such times as the rules thereof appoint,
 and to pay over all the moneys remaining in his hands,
 and assign and transfer or deliver over all property
 (including books and papers) belonging to the society
 in his hands or custody to such person or persons as
 the society or the directors thereof appoint, according
 to the rules of the society, together with the proper and
 legal vouchers for such payments;

And in case of any default in performance of these
 agreements, then that he, his heirs, executors, or admin-
 istrators, shall pay the society the sum of dollars
 as liquidated damages. In witness whereof the said
 A B and the undersigned C D, in the name and by the
 authority of the society, have set their hands the year
 and day first aforesaid.

Witness } A B
 to the }
 Signatures. } C D

(Description of office (if any) held by him in
 the society.)

(b) *With a Surety.*—Know all men by these presents
 that we, A B, of and C D, of, as
 surety for and on behalf of the said A B, are jointly
 and severally held and firmly bound to the Co-operative
 Society, Londonderry, Limited, established at Acadia

Mines, in the County of Colchester, in the sum of
to be paid to the said society or their certain attorney,
for which payment well and truly to be made we jointly
and severally bind ourselves and each of us by himself,
our and each of our heirs, executors, and administrators,
firmly by these presents sealed with our seals.

Dated this day of

Whereas the above bounden A B has been duly
appointed to the office of of the society
established as aforesaid, and he, together with the above
bounden C D, as his surety, have entered into the
above-contained bond, subject to the conditions herein-
after contained; now, therefore, the condition of the
above-contained bond is such that if the said A B do
render a just and true account of all moneys received
and paid by him on account of the said society, at such
times as the rules thereof appoint, and do pay over all
the moneys remaining in his hands, and assign and
transfer or deliver over all property (including books
and papers) belonging to the said society in his hands or
custody to such person or persons as the said society
or the directors thereof appoint, according to the rules
of the said society, together with the proper and legal
vouchers for such payments, then the above-contained
bond shall be void, but otherwise shall remain in full
force.

The seals and signatures of the officer and surety should be
affixed here. The seal may be a wafer put opposite the
name of the signing party, on which he should put one
finger, and say, "I deliver this as my act and deed."

Sealed and delivered in the presence of us

C D, of

E F, of

There must be two witnesses to each signature, but the same
persons may witness both. If the officer and his surety
sign before different witnesses the form of witnessing
should be repeated.

(4) *Condition of a Bond by or as security for a
Manager or Storekeeper who has charge of Goods as*

well as of Money.—The condition of the above written bond is such that if the said A B discharge the duties of his said office without embezzling, misapplying, unlawfully making away with, or wilfully or carelessly wasting or losing any of the moneys, goods, chattels, merchandise, or effects in his charge or keeping, and do render a just and true account, &c. [as in form 3].



ERRATUM.

Page 9, clause 34—For the words “five dollars” read “one dollar.”

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67. Quorum of monthly meetings.
68. Chairman of meeting.
69. Votes of individuals.
70. How votes shall be taken.
71. Conduct of members.

Sec. 2.—Management.

72. How board of directors to be formed.
73. Retirement and re-eligibility of directors.
74. Removal of directors.
75. Qualification.
76. Vacancies—how to be filled up.
77. General powers.
78. The directors to summon meetings, provide books, etc.
79. To lay statement of accounts and report before the general meetings.
80. Time, place of meeting, and quorum of the directors.
81. Fines for non-attendance.
82. Chairman of the board.
83. Special meetings of the board.
84. Appointment of sub-committees.

Sec. 3.—Officers of the Society.

85. Appointment of president, treasurer, and secretary.
86. Duties of these officers.
87. Officers appointed by the committee.
88. Assistants to secretary.
89. Remuneration to officers.
90. Security by officers.

Sec. 4.—Conduct of Business.

91. Dealings shall be for cash.
92. Payment of moneys into bank.
93. Payment by cheques.
94. Seal of the society—its custody and use.
95. Use of name of the society.
96. Complaints and suggestions by members.
97. Employment of members.

Sec. 6.—Evidence.

98. Minutes to be evidence of proceedings.
99. What to be sufficient notice.

CHAPTER VII.—ACCOUNTS AND RETURNS.

Sec. 1.—The Auditors

100. Number of auditors.
101. Appointment of auditors.
102. Duties of auditors.
103. Powers of the auditors.
104. Audited accounts to be binding on the members.
105. Copy of accounts and report.
106. Remuneration of auditors.

Sec. 2.—Inspection of Accounts.

107. Individual right of inspection.
108. Copies of annual return and rules.

CHAPTER VIII.—PROFITS.

109. Primary charges.
110. Members in arrear of subscriptions.
111. Dividends when not passed by a transfer.

Distribution of Profits.

112. Division of net profits.
113. Capitalization of dividends.
114. Capitalization of profits.

CHAPTER IX.—DISPUTES AND EXPULSION OF MEMBERS.

115. Disputes—how to be determined.
116. How a member may be expelled.
117. Payment of expelled member.
118. Re-admission of expelled member.

CHAPTER X.—ALTERATION OF RULES.

119. Majority requisite to make alterations.

CHAPTER XI.—FORMS OF INSTRUMENTS.

120. Instruments shall have the forms following:—
 - (1) Application for admission by an individual.
 - (2) Transfer between individuals.
 - (3) Security by officers without and with surety.
 - (4) Condition of bond for a manager or storekeeper.

